

REMARKS

Applicants respectfully requests that the foregoing amendments be made prior to examination of the present application.

Claims 50-62 are being added.

Claims 13, 15, 19, 24, 29, 35, 39, 44, and 49 are being amended.

A detailed listing of all claims that are, or were, in the application, irrespective of whether the claim(s) remain under examination in the application, is presented, with an appropriate defined status identifier.

After amending the claims as set forth above, claims 1-62 are now pending in this application. Support for the amendments can be found in the specification. For example, the present application states:

[0015] Still further, a futures contract in accordance with the principles of the present invention converges to a final settlement value equal to the conversion-factor-weighted price of whichever member of the deliverable basket for a corresponding physical delivery commodity futures contract is cheapest to deliver into the corresponding physical-delivery commodity futures contract; however, it is an advantage of the present invention that in extreme market conditions, as may arise especially in the course of a futures contract delivery squeeze, the price of the futures contract of the present invention and the price of a corresponding physical delivery commodity futures contract may diverge, with the futures contract of the present invention expiring at a price level that is more sensible, in the sense of offering no unresolved cash-futures arbitrage opportunities.

(underlining added.)

[0029] This pricing engine of the present invention appeals to market participants, because it guarantees that the futures contract will expire at the conversion-factor-weighted price of whichever

member of the deliverable basket has the highest instantaneous implied financing rate among all issues in the contract's basket. For futures contracts based on government securities, as in the examples cited above, this means that the futures contract will expire at the conversion-factor-weighted price of whichever member of the deliverable basket has the highest instantaneous implied repurchase agreement rate (RP rate). This criterion is more robust than the alternative of converging to the price of whichever member of the deliverable basket exhibits the lowest cash-futures basis at expiration.

(underling added.) There is also support for the amendments from the originally filed claims, claims 1-49.

Applicants believes that the present application is now in condition for allowance. Favorable consideration of the application as amended is respectfully requested.

The Examiner is invited to contact the undersigned by telephone if it is felt that a telephone interview would advance the prosecution of the present application.

The Commissioner is hereby authorized to charge any additional fees which may be required regarding this application under 37 C.F.R. §§ 1.16-1.17, or credit any overpayment, to Deposit Account No. 50-2350. Should no proper payment be enclosed herewith, as by a check being in the wrong amount, unsigned, post-dated, otherwise improper or informal or even entirely missing, the Commissioner is authorized to charge the unpaid amount to Deposit Account No. 50-2350. If any extensions of time are needed for timely acceptance of papers submitted herewith, applicant hereby petitions for such extension under 37 C.F.R. §1.136 and authorizes payment of any such extensions fees to Deposit Account No. 50-2350.

Respectfully submitted,

By 

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